

SPEECH

by

LT. GENERAL VERNON A. WALTERS

before

SOUTHERN COUNCIL

ON

INTERNATIONAL AND PUBLIC AFFAIRS

Atlanta, Georgia

20 February 1976

I am delighted to be here and to have an opportunity to talk to you a little bit about something which most of my 35 years in Government have been specifically addressed to and that is, namely, the question of intelligence.

I think that one of the great questions that people ask all the time is: What is this intelligence about which people talk so much; what is it and what does it mean to the United States. Well, intelligence is information on actions, capabilities, intentions--political, military, economic, financial--of foreign countries that may have some impact upon our life. It may affect our living in some way. In the old days the outside world was very far to the United States. The United States had an enormous cushion of time at both sides: any foreign event that occurred could be very long delayed in any impact on the United States. As a matter of fact, President Madison once commented that he hadn't heard from his Ambassador in Spain in two years and if he didn't hear from him pretty soon, he was going to send someone over to find out what was going on in Spain.

Well, we live in a very different world. We live in a world where almost immediate decisions are required. The means of communication we have today have put our leaders

in a position where they've got to make decisions about things almost immediately. They haven't got the same kind of time for delay and thought and reflection that they used to have.

We also have a somewhat different world in which we live. Throughout the early years of our history the United States was unreachable and therefore unbeatable. That is no longer true. The two or three months' time lapse that we had--we had a multi-polar world where there were many other powers interposed between us and other people who might mean us some harm. This no longer exists. We live in a world where power is much more polarized and in the hands of a much smaller number of nations now than at any time in the past. We face a world in which we see the Soviet Union as a global power, not a continental power like Germany. And Angola has shown us that they are willing and able to project their power to far parts of the world. Thus we have a situation which is quite different from any of those that have gone on before.

When we stop and think that in this year of 1976, perhaps 20 percent of the people of the world live in freedom. Eighty percent of them live with some sort of restrictions upon their freedom. And so, we must guard and protect those freedoms

and those things that enable us to live in ways of our own choosing.

Soviet power today is deployed all over the world. The Soviet Union has immense capabilities. China will have them tomorrow. We have throughout the world a series of situations--tinderbox-type situations--of which we must keep track lest they get out of hand. We have billions of petro-dollars, or Euro-dollars, moving around the world and this is a great change from the situation in the past where this type of thing affected us very little as a nation. It is vital to us to know what use is being made of this kind of economic power. It may affect the life, the livelihood of Americans in Atlanta or Omaha or Spokane. It is said that knowledge is power and in a very competitive world in which we live it is essential that our Government have the knowledge of what is going to happen or what may probably happen. We have today in the world detente. We all hope that it will lead to a real relaxation of tensions in which there will be benefits for both sides. However, when I think about detente I am always reminded of an old Russian proverb which says, "C MEDVEDOM DRUZHIS A ZA TOPOR DERZHIS" "--If you make friends with a bear, hold onto your axe."

So we have to watch; if we do make agreements with the Soviets or with anyone else, that whatever agreements we make that there are no violations.

I think one of the things that people often forget is that they normally tend to think of intelligence as merely some form of a weapon to make war. Intelligence can also be a weapon for making peace. What President of the United States could sign an agreement on any kind of arms limitation unless he had some means of verifying that agreement was being respected.

In the early Sixties we had a great debate in the United States about whether or not there was a missile gap. That is no longer possible. We know what they are doing in this area, and, more important, they know that we know. We have to watch around the world for the possibility of nuclear proliferation. In the kind of world we live in there are nations that are in situations of numerical or geographical inferiority where they may feel this is the only chance they have for survival. You have international terrorism which is a new factor that hasn't reappeared since the Middle Ages, which is abroad in the world today. All of this leads us to a much less stable world than the world perhaps some of us have known in the past.

In the old days you could have a surprise blow but it was generally a local one and you were quite easily able to recover from it, if it wasn't a mortal one from the outset. But our lives, our freedoms, our hopes for tomorrow depend on not being surprised. We cannot blind ourselves. If we do, history will not forgive us. Because of the way the world stands right now, if we fall there isn't anybody ready to pick up the torch; there may be in a couple of years, but there isn't anyone right now.

So it is vital that our Government have the information that enables it to make the best decisions possible in the interests of the nation and of world peace. Our job is to collect that intelligence and make it available to those who make the decisions in our country.

We have, as I said, a tremendous threat with which we must cope--military power that never existed in peacetime before. We have oncoming another giant in the form of China. Yet in the last four years the manpower in the United States Government devoted to intelligence has gone down by 40 percent. It has gone down in terms of real dollars. Less than one penny out of every dollar spent by the United States Government goes to the collection of intelligence.

Intelligence provides us with clear, up-to-date information on what is going on in the world today. And in the speed in

which things move, it is essential that the information be up-to-date. If it isn't up-to-date, if you don't get it in in time, it's history not intelligence. It provides a firm basis for what the United States must do to develop its own strength. If we did not know what it was that any potential opponent had, how could we decide what we needed to face the unknown? What means would we have of gauging how threatening or how large or how strong was the unknown? It is good intelligence that keeps the United States defense budget from soaring out of sight because we do know about the Soviet strategic forces, we do know about the Chinese Mainland strategic forces. And this enables us to measure what we need to create a situation in which they will not be tempted to use them. That is, after all, the ultimate purpose: to deter war. A modern war is a catastrophe so great that the victor is scarcely better off than the vanquished. The essential thing is to discourage people from attempting to use that force.

Most of all, the existence of a credible United States intelligence capability inhibits any idea any country might have of trying to cheat or circumvent or surprise us. As I have said, surprise today in a nuclear age is a very different thing from any kind of surprise that we may have known in the past. If you did not have any idea of what the other

side had you would probably have an arms race that would just go on and on and on till everybody involved was broke. But it is the fact that we do have clear and precise knowledge concerning the strategic forces that threaten us that enables us to tailor our forces so that we have the wherewithal to face that situation, but more important, the wherewithal to discourage them from being tempted to the use of those forces and to make deterrence really viable.

People say "why do you need these so-called covert actions" of which they hear. Well there is in the United States a great tendency to say "well all that low, under-handed stuff is all right for the British, the Germans, the Russians, or the French, but not for us pure, noble Americans. The Founding Fathers wouldn't have liked it." Well this does not take into account the realities of American history.

Probably the greatest consumer of intelligence in American history was George Washington. George Washington wrote a letter to his chief of intelligence in New Jersey, Colonel Elias Dayton, in which he said this: "The need for procuring good intelligence is so obvious that I have nothing further to say on this subject. All that remains for me to tell you is that these matters must be kept as secret as possible. For lack of secrecy such operations, no matter how well-conceived, or how promising the outlook,



generally fail. I am, Sir, your Obedient Servant, George Washington."

Then we have those today who tell us: "Oh, but in a democratic society you have to tell everybody everything and let everything hang out." Well, one night George Washington was staying in Connecticut at the home of a patriot called Holcomb. And in the morning, he got out, got up on his horse and was going to ride off when Mrs. Holcomb came out to see him off. And she said, "General, pray where do you ride tonight?" And he leaned down in the saddle and he said, "Madame, can you keep a secret?" She said, "Of course." He said, "So can I, Madame," tipped his hat and rode off.

But even in those days we still had this feeling that espionage or the collection of intelligence was an immoral thing and so forth. We have a statue of Nathan Hale outside the CIA building. It was put there over my protests, not because he was not a very brave young man and did not utter a very immortal phrase that he regretted that he had but one life to give for his country. My objection to the fact was that he was an agent who was caught on his first mission and he had all the evidence in his shoe. And I am just not sure that's what we should be holding up to our young trainees as the ideal. Furthermore, before that he

committed a grave breach of security. He told a friend of his that he was going behind the British lines to act as a spy. And his friend looked at him and he said, "But, Nathan, how can you stoop so low?" So we had these kind of people then, and his answer was a very good one, which is not as immortal. He said "The need of the nation justifies it." But again he went to Manhattan Island to find out when the British were going to land and where. Unfortunately for him they were already there.

---

We get on to this question of political action--covert action--about which there has been so much discussion. This again is regarded as some frightful thing: the helping of your friends. Well I think anybody who has studied the record of the last 6,000 years of human history of which we have record has known that throughout all time nations have sought to help their friends and to influence opinion in other countries in a sense favorable to themselves. Americans should be particularly cautious in this respect, I feel, for if there hadn't been extraordinarily large French covert action in North America, we just might not be celebrating a Bicentennial. As a matter of fact, there

were 17,000 Frenchmen ashore in North America before France declared war on Great Britain. We sometimes tend to forget this. We sometimes tend to forget that the British said, "Oh, the French are helping the rebels." And the French went to the U.S. Congress and said you will kindly pass a resolution saying you have received no aid from us. Because if you don't do it we won't give you any more aid. And Congress promptly passed a resolution and said "no, they'd never heard of any French aid. But if we had not had that aid, ours would have been a very, very tough and much longer struggle. The idea that helping your friends in another country to resist going under from Communist subversion, to help democratic forces who want to prevent their country from going totalitarian is morally wrong...everybody else is doing it. You've got to live in the real world. No, you don't resort to the kinds of crimes and abuses that the more extreme societies do, but at least this kind of action gives you something between a diplomatic protest and landing the United States armed forces. It helps you contain a crisis or limit a crisis.

As I have said, it is being used against us and anybody who wishes to fight with Marquis of Queensbury rules against somebody who is using brass knuckles, is going to find that his future is not bright. We live in the real world, and in this world intelligence is essential to us.

Now you've all read about the investigations and so forth and so on. I cannot tell you that among the 76,000 people who have passed through the CIA in the last 27 years we haven't had some nogoodnicks, we haven't had some kooks, we haven't had some nuts, we haven't had some overzealots, we haven't had some people who have exercised very poor judgment. But I submit that if you take any community of 76,000 people, subjected to the kind of scrutiny to which we have been subjected over the last 27 years, that our record will be quite respectable. As of today, to my knowledge, not one person in the Central Intelligence Agency has been indicted. Well I ask you to take any community of similar size over a quarter of a century and tell me how that record looks.

Again, I am not trying to justify some of these illegalities or things that were done in the past, but one has to look at the situation at that time and the way people regarded things at that time. For the younger people around here it is difficult to understand the strength of the commitment of the United States in the years following World War II to the principle that it would never be surprised again. It is difficult to understand

the degree of commitment of the American people to the idea of stopping the spread of Communist totalitarianism. To just give a simple example: to us today universal suffrage is absolutely indispensable for democracy. But we didn't have universal suffrage in the first years of the history of our country. You had to have a certain amount of money that you paid in taxes before you were allowed to vote. You cannot run a segregated school in the United States today. Fifteen years ago you could and 30 years ago or 40 years ago you would have gotten in trouble for trying to run anything but that. And if one persists in looking at the past through the eyes of the present one is going to get a distorted picture of the past. So while I am not attempting to justify these things, I am simply attempting to describe the atmosphere in which these people exercised poor judgment or were over-zealous.

The last CIA investigation we had was the Doolittle Report which told us the United States faced a ruthless enemy determined to destroy us by any means at their command, and that the only way we would survive was by matching their dedication with ours and their ruthlessness with ours. So we understand that secrecy is not to be used to cover abuses or wrong-doings, nor do we feel it should be destroyed in order to help a potential enemy.

Those who oppose us know very well how valuable human rights are to us, how much importance we attach to fair play and to our freedom, and to the rights of our citizens and to the open nature of our society. Those who oppose us can and do make full knowledge of their advantage in this respect of the fact that they have no similar or comparable moral restraints in their attempts to alter or control our society.

Again, to go back to this question of the time and what was happening. George Washington organized three separate kidnap attempts on Benedict Arnold and I think most of us know what he was going to do with him when he got hold of him. He also attempted to kidnap George III's son--his fourth son was a midshipman in the Royal Navy in New York in 1782 and he later became King William IV, and, in fact, somebody got killed outside the Prince's door. Years later when this man was then King William IV of Britain, the American Minister told him about this plot, but added that General Washington had sent word the Prince was to be treated very kindly. And the Prince said, "Well, I am damned glad he didn't get the chance to show me how kind he was."

Now you take Benjamin Franklin. Benjamin Franklin, for three years before the Revolution, while we were at peace we were part of Great Britain, from 1772-1775 was the Assistant Postmaster of British North America. Do you know what he was doing? He was opening that British mail like crazy. They caught him and they fired him and he went off to Paris as the Head of the Mission there. He asked the French to build him a printing press. And do you know what he printed on that press? British passports, British currency and fabricated atrocity stories for insertion in the British press.

So you have these people who tell us that there was none of this in American history before, this is all new, dirty stuff, we've never done this sort of thing.

When I came into the Army, I went, in 1942, to the United States Army's military intelligence training center. What I am trying to illustrate by this is that this puritanical urge in us has gotten the better of us after all our wars. We generally enter our wars completely defenseless in the intelligence field, we then build up a great apparatus and as soon as the war is over we begin to have moral qualms about it and begin dismantling it. We took a little longer this time because of the Korean and

Vietnamese wars. But generally we've dismantled it. When I got to that U.S. Army military intelligence training center at Camp Ritchie in Maryland in August of 1942, the Commandant of the American Army's intelligence school was a British colonel and the first ten training movies I saw the Cockney dialect was so thick that most of the GI's didn't understand what was going on. So we have to wait a little longer this time for the wreckers to get to work on our intelligence apparatus. And they have been doing their best to do so. And this, in the middle, as I say, of a very tough and a very difficult world.

We have these two great giants in the world today beside ourselves: the Soviet Union and Mainland China--about which I heard an amusing story the other day. It said that President Nixon was in Moscow and he was talking to Mr. Brezhnev and Mr. Brezhnev said, "I had a very strange dream the other day." The President said, "What was that?" and he said, "I dreamt I was in Washington and I looked up at the Capitol and there was a great flag flying there." And the President said, "Yes, it is the American flag, it always flies there when Congress is in session." Mr. Brezhnev said, "No, it wasn't the American flag, it had something written on it." And the President said, "What was written on it?"



And he said, "On it was written: 'Kapitalism Perevon-- Capitalism is doomed.'" Mr. Nixon said, "That's strange, I had almost the same dream myself." Brezhnev said, "What did you dream?" He said, " Well, I dreamt that I was in Moscow, I looked at the Kremlin and on the highest tower of the Kremlin there was a great flag flying." Brezhnev said, "Soviet flag, always there." But the President said, "Not, it had something written on it." Brezhnev said, "Written? What did it have written on it?" Mr. Nixon said, "I wish I could tell you, but I can't read Chinese."

We have this kind of a world in which we live with these two giants facing one another. We just cannot be blind and deaf at a time like this.

We've had reorganization, as you know, in the last couple of days, of the intelligence community. This is really a reorganization of the very top part of the structure and we are going to have to organize the lower part of the structure. It establishes at the very top a Committee on Foreign Intelligence, which is chaired by the Director of Central Intelligence, and has as members the Deputy Secretary of Defense for Intelligence, and the Deputy to the President's Assistant for National Security Affairs. Centered in this Committee are authorities held by many committees before. These include authorities to conduct certain types of operations

which must be reported to the Congress. The Committee on Foreign Intelligence also has the authority to apportion the money--the resources--throughout the community so we can get the best possible return for our intelligence dollars.

One thing I would like to make plain is that many people have a vision of the intelligence community as everybody squirreling away his own private little information. Well that is simply not true. The Defense Intelligence people, our people, the State people: all are working from the same data base, we are all working from the same telegrams from the same information. Yes, we do have disagreements because the focus of each of us is somewhat different. But at least I don't want you to get the idea that everybody in the intelligence community has got a little secret dispatch that he's hiding from everybody else. That is simply not the way it works. We discuss, we talk, we try to arrive in our national estimates, and we do, in the national estimates we submit to the President, at a general consensus but in which if there are dissents, they are included.

And one thing I must say for Secretary Kissinger is that he not only wants to know what the majority view is, he wants to know what the minority view is and why they feel that way. So many of the documents go forward with notes on

the bottom of the page saying this or that or the other Government department does not agree with this. I think this is very important in assessing what happens and how it happens.

Now how do we collect this intelligence I have been talking to you about? We collect it in three ways: first of all we collect it publicly, openly, through the ordinary newspapers, through the radio and television broadcasts, through open publications of all sorts and through open discussions with the people. I would say that 50 percent of the intelligence published in the publications of the U.S. Government comes from open reporting from U. S. embassies abroad. From the ordinary, normal, State Department reporting. But, of course, as you get further along, the smaller percentages are the more punchy things and are harder to get. For instance, we collect by various technological systems...technological systems of overhead reconnaissance, of all sorts of highly sophisticated technical things, which has been one of the great contributions the United States has brought to the world of intelligence. I think we brought two great contributions: one is the technical and the other is the analytical

capability. I think we have carried the analysis of intelligence, of people working on the same subjects, on the same things, for a very long period of time to a degree that has not been seen elsewhere previously.

You know, unfortunately, I say we tend to carry around our neck the millstone of James Bond, because this is everybody's idea of what somebody does in intelligence. Well, there is a small number of people who do this, but a very small number of people in relation to the total effort. You've heard all about these covert operations. These constitute maybe five or six percent of the funds we expend.

Then you have, finally, the part we've just been talking about: human intelligence. In 1973 we knew perfectly well what the forces were in presence on both sides of the Suez Canal. What we had not gotten into was the decision process to go at two o'clock in the afternoon of the sixth of October. And that sort of intelligence--short of a lucky break--you could only get from people.

In our society everything is open. Foreigners can acquire information from American magazines that would cost

us a billion dollars to get on their country. As a matter of fact, our problem and the Soviet problem is quite the opposite. We have to piece together the scraps and see what we can make of them; the Soviets are completely submerged by a vast flood of information from the United States and they have to try and figure out what part of it is real and what part of it is phony. We have often found them, for instance, when some American magazine has published some rather important secret, we found them telling spies around the world, "Go find out the truth about this." Because to them, if it isn't stamped "Secret" it can't be true, because it wouldn't be--the United States wouldn't put out this sort of stuff. But we tend to. Some of you may have heard my cannibal story.

Well, a foreigner said to me the other day that he didn't understand why all Americans weren't Catholics and I said, "Why?" "Well," he said, "remember it's the only religion that offers confession for everybody," and then he paused and he said, "but I suppose it's the fact that it's private that's the real drawback." Because we have this irresistible urge.

Sy Hersh, who wrote the original article denouncing us for our various abuses once said, "The United States is a

great country. It's the only country in the world where if you ask a Government official a question, he feels he owes you an answer." Many of the things we discuss in the United States openly and in detail in the press, in other free, democratic countries are never mentioned. They are simply never mentioned. I don't know how many foreigners I've had tell me after driving around the Washington Beltway and seeing that huge sign eight to ten feet tall saying "CIA," "It can't be true. You don't put out a road sign to your secret intelligence service." But we do. For instance, the identity of the Director and my identity is known; there is no other country in the world where publicity is given to this sort of thing.

But, still, we do very well. People ask me often "What has been the impact of all this upon you?" Well, the impact has been one of many. I think we will have fewer zealots, I think we will have fewer kooks, I think we will have fewer people exercising bad judgment. I think we will probably in the end have better intelligence for it. I think that we will develop within the Congress--Congress will develop itself an oversight system which will be more effective and more capable of keeping secrets than has been the case in the past. I think it will exercise

a more effective control. One of the features of the President's program was the setting up of the three-man oversight board, whose sole task would be to look for abuses within the intelligence community--or wrongdoing within the intelligence community. And they have been put up there and every single person who works in intelligence in the United States, if he knows of anything that is being done that is against the law or that is dubious, he can go to that board and report it.

I think we will have a tougher brand of people. Now one of the surprising things to me throughout this has been that we have today a larger number of young people coming out of the universities wanting to work with us than at any time in the 27-year history of the Agency. Now, I am not completely blind to the fact that the state of the economy may be part of this, but not in the measure--this is a three- or four-fold increase. We thought a lot of the older people who lived in a lot of the somewhat excessive secrecy of the past couldn't adapt themselves to the new and changing times. But they have not been leaving in droves. We have less resignations than we have had in any year in the past for the last five or six years.

Yes, as a result of this we have lost some foreign sources who have come to us and said "I just can't stand being associated with you." We had one rather tragic one in which a man said, "If I am executed, please...--this is behind the other side--"...do not reveal that I had any connection with you." But by and large it would probably be self-serving of me to tell you we've been crippled, we haven't be able to do our job, the American people are helpless and unprotected. I cannot in truthfulness tell you that. I think today we are collecting more and better intelligence than at any time in our history. Why? How? Well, I think a lot of people have come to the conclusion that their best hope for a better life lies in the continuing existence of the United States as a powerful and freedom-loving nation.

We have means of getting this information to the President every day. We give the President a report of the most secret information we have. We report also regularly to the Congress. I think last year we reported some 80 times to different committees of the Congress, apart from the investigation. I am talking about normal reports to our regular oversight committees who are the Armed Services Committees, the Appropriations Committees and the Government Operations Committees and, in some areas, the Foreign Relations Committees.



One of the laws that the President is going to propose is a single joint committee of the House and Senate like the Atomic Energy Commission has for its affairs and which has proved remarkably good at keeping secrets. So out of all this we hope there will come a better understanding of the need for good intelligence, a better guidance for what is permissible and what is not permissible, and we hope some mechanism for change as the perceptions of the American people change as to what they want done in their defense.

And, finally, I would like to say that I am not an old CIA man. I came to the CIA in 1972 for the first time after a lifetime spent in the armed services. People say to me, "How do you feel after four years there?" Well, I say first I feel a little bit like Jonah because it all started just about the time I came on board. Mostly I feel reassured: reassured at the people I found there; reassured at the fact that they are Americans just like other Americans; and they live by the same standards of right and wrong. Reassured at the continuity with which they apply themselves to the solution of problems. Reassured at their competence and dedication, but, most of all, reassured by the people themselves.

History does not often give a second chance. In the nuclear age the best thing we can do is to prevent a first confrontation. And the very fact that we have good intelligence the people know today that the chances of a surprise attack are minimal, that even lesser movements than major mobilization will be noted. We have often told other people when we've seen this. And one of the things that you never get any newspaper headlines for is that very often we have used intelligence to reassure two friendly countries who were sure the other one was going to jump them. We've been in a position to go to both of them and say, "Look, we know what's going on on both sides. He is not going to jump you," and thereby avoid some very unpleasant confrontations.

Winston Churchill told my generation that we would have as our companions on our journey, blood, sweat, tears, and toil. As we move into the last quarter of this century, the most exciting century the world has ever known, I hope that the young generation, who will decide what the world of tomorrow will be like, will have as its companion, three companions: faith to light the road ahead, because the road ahead is dark and if you don't have faith it's even darker;

enthusiasm, which is the mainspring of youth and keeps the older producing; and, courage, which is the greatest of human virtues because it is the guarantee of all the others. That they will have these, these young people who tomorrow will run our country and run the world...they who will decide the tomorrows that my generation will not see. And if they are blind and deaf and do not know the real fact of the world around them it will be much more difficult for them to do that.

All I can tell you is that we in the Central Intelligence Agency, together with our colleagues in Defense Intelligence, and the intelligence part of the three armed services, with the Treasury and State, and the others whose business this is also, we will do our best to not let down the American people who are, after all, the last best hope of most of mankind for a decent peace-loving world.

Thank you very much.